

LISKOW & LEWIS

A PROFESSIONAL LAW CORPORATION

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August 21, 2006

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, LA 70804-4275

Re: 2,500' Zone, Reservoir B
Crowley Field
Acadia Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **WALTER OIL & GAS CORPORATION** for the calling of a public hearing after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the 2,500' Zone, Reservoir B, Crowley Field, Acadia Parish, Louisiana:

1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of gas and condensate from the 2,500' Zone, Reservoir B, in the Crowley Field, Acadia Parish, Louisiana, said unit to be designated 2500 RB SUA, as shown on the plat attached hereto and made a part hereof.
2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.
3. To provide that any future wells drilled to the 2,500' Zone, Reservoir B, within or outside of the unit created herein, should be located in accordance with the spacing provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E).
4. To provide that the Commissioner of Conservation should be authorized to reclassify the zone and reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
5. To consider such other matters as may be pertinent.

NEW ORLEANS

LAFAYETTE

HOUSTON

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The 2,500' Zone, Reservoir B, in the Crowley Field, Acadia Parish, Louisiana, is hereby defined as being that gas and condensate bearing zone encountered between the depths of 2,510 feet and 2,724 feet (electrical log measurements) in the Walter Oil & Gas Corporation – Jeffers 10 No. 1 Well, located in Section 10, Township 10 South, Range 1 East, Acadia Parish, Louisiana.

Pursuant to the Rules of Procedure, pre-application notice was given; however, no request for the conference was received. Therefore, the conference tentatively scheduled for August 30, 2006, **WILL NOT BE HELD**. Note that the reservoir designation was changed from Reservoir B to Reservoir B in an effort to comply with current Office of Conservation policy regarding reservoir nomenclature. No other change to the proposed unit has been made from that set forth in the pre-application notice.

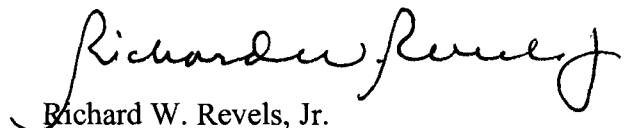
Pertinent data, including well logs, may be obtained AT THE COST OF THE REQUESTING PARTY from Mr. Art Christy, W. H. Robbins & Associates, LLC, 302 La Rue France, Lafayette, Louisiana 70508, Telephone No. (337) 232-5004.

Attached hereto and made a part hereof is a plat showing the applicant's proposal along with the list of the names and addresses of the Interested Owners, Interested Parties and Represented Parties to whom a copy of this application is being furnished. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. The list of parties will be provided to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties.

Finally, enclosed is our check in the amount of \$755.00 made payable to the Office of Conservation submitted on behalf of the applicant, representing the hearing application fee.

Very truly yours,

LISKOW & LEWIS


Richard W. Revels, Jr.

RWRjr/df
Enclosures

cc: Mr. Richard Hudson, Lafayette District of Office of Conservation
cc: Interested Owners, Represented Parties and Interested Parties

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